

Congresswoman Betty McCollum

Minnesota's Fourth Congressional District



Fact Sheet:

The Nonprofit Sector Strength and Partnership Act

H.R. 7587

The bill establishes a formal partnership between federal policymakers and nonprofit organizations to ensure the needs of nonprofits and their communities are considered at the beginning of policy development and implementation.

The bill establishes:

- **White House Office** – Led by an Assistant to the President with deep expertise in nonprofits, it ensures policies are designed with an understanding of the sector's capacity to realize critical priorities in a way that maximizes the benefit to communities.
- **Interagency Council** – Streamlines coordination across offices and departments in the Administration.
- **Federal Advisory Board** – Community-based and national nonprofit and philanthropic leaders that will consult with policymakers. Appointed by the President and Congress.

This legislation aims to:

Recover & Grow Nonprofit Jobs: After losing 1.6 million nonprofit jobs in 2020, policymakers need real-time, accurate information on what is happening in the nonprofit workforce. This bill enables the government to report quarterly jobs and economic data, just as they do for other industries, so nonprofits have data to better educate policymakers and support the organizations and employees in greatest need.

Increase Access to National Service: In addition to a traditional paid workforce, many nonprofits expand their capacity by partnering with national service programs, like AmeriCorps. Unfortunately, some nonprofits and prospective volunteers experience challenges accessing the current program. This bill calls for reforms to improve access to the program for small organizations and organizations representing underserved communities.

Lower Cost of Fundraising Across States: As traditional, place-based fundraising opportunities decline, nonprofits need to quickly adapt, some needing to raise funds outside their geographic area for the first time. Unfortunately, to do so, they needed to register in each new state separately. This bill supports an innovation to create a single online portal for nonprofits to register as fundraisers across multiple states, potentially saving individual nonprofits thousands of dollars in administrative costs.

Reduce Burden of Federal Funding and Regulations: Government funding is one of the larger sources of revenue for many nonprofits, but it often is accompanied by complex administrative requirements and regulations. This bill calls for a commission on federal grant reform - with strong representation from the sector - to simplify and streamline formal partnerships with nonprofits, to enable nonprofits to put more resources toward their mission.

Protect Nonprofit Voice in Election Years: Every election year, policymakers propose or enact new laws and executive orders that impact nonprofits and the communities we serve. Many nonprofits report in past elections that they did not educate policymakers about how policies impact their missions, because they were not sure what they were legally permitted to do. This bill directs the GAO to make recommendations that would clarify what nonprofits across the tax code are permitted to do during an election year.